

**ALASKA STATE LEGISLATURE**  
**SENATE TRANSPORTATION STANDING COMMITTEE**

March 11, 2021

1:34 p.m.

**MEMBERS PRESENT**

Senator Robert Myers, Chair  
Senator Mike Shower, Vice Chair  
Senator Click Bishop  
Senator Jesse Kiehl

**MEMBERS ABSENT**

Senator Peter Micciche

**COMMITTEE CALENDAR**

SENATE BILL NO. 74

"An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state infrastructure projects, including construction, communications, major maintenance, public safety, and transportation projects; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 74

SHORT TITLE: G.O. BONDS: STATE INFRASTRUCTURE PROJECTS

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/05/21	(S)	READ THE FIRST TIME - REFERRALS
02/05/21	(S)	TRA, FIN
02/25/21	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)
02/25/21	(S)	-- MEETING CANCELED --
03/02/21	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)
03/02/21	(S)	Heard & Held
03/02/21	(S)	MINUTE(TRA)
03/09/21	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)
03/09/21	(S)	Heard & Held
03/09/21	(S)	MINUTE(TRA)
03/11/21	(S)	TRA AT 1:30 PM BELTZ 105 (TSBldg)

## **WITNESS REGISTER**

TIM DILLON, Executive Director  
Kenai Peninsula Economic Development District  
Kenai, Alaska

**POSITION STATEMENT:** Testified in support of the Fairbanks to Seward Multi-Use Recreation Trail in SB 74 to provide economic benefits to local communities.

BECKY LONG, representing self  
Talkeetna, Alaska

**POSITION STATEMENT:** Testified in opposition to the West Susitna Road Project in SB 74 due to inadequate public process, constitutional issues, and concern that it will adversely impact the West Susitna watershed.

ANN RAPPOPORT, Co-Chair  
Rabbit Creek Community Council  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of including the Potter Marsh Site Improvement Projects in SB 74.

JULIE SAUPE, Visit Anchorage  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of the Fairbanks to Seward Multi-Use Recreation Trail Project in SB 74 to promote tourism.

HEDI DRYGAS, Lobbyist  
Alaska State Pipe Trades Local 375  
Juneau, Alaska

**POSITION STATEMENT:** Testified in support of SB 74 because it will spur economic growth.

CLAY WALKER, Mayor  
Denali Borough  
Healy, Alaska

**POSITION STATEMENT:** Testified in support of the Fairbanks to Seward Multi-Use Recreation Trail Project in SB 74 for the recreational benefits to Alaskans and to foster independent travelers.

MELISSA HEWER, Executive Director  
Susitna River Coalition  
Talkeetna, Alaska

**POSITION STATEMENT:** Testified with concern about the project costs and lack of local support for the West Susitna Access Road Project in SB 74.

CHRIS BECK, representing  
Alaska Trails Foundation  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of the Fairbanks to Seward Multi-Use Recreation Trail Project in SB 74.

JOSH VERHAGEN, Mayor  
City of Nenana  
Nenana, Alaska

**POSITION STATEMENT:** Testified in support of the Fairbanks to Seward Multi-Use Recreation Trail Project in SB 74 due to the economic benefits for communities and small businesses.

#### **ACTION NARRATIVE**

[1:34:18 PM](#)

**CHAIR ROBERT MYERS** called the Senate Transportation Standing Committee meeting to order at 1:34 p.m. Present at the call to order were Senators Kiehl, Shower, and Chair Myers. Senator Bishop arrived shortly thereafter.

#### **SB 74-G.O. BONDS: STATE INFRASTRUCTURE PROJECTS**

[1:34:48 PM](#)

CHAIR MYERS announced the consideration of SENATE BILL NO. 7, "An Act providing for and relating to the issuance of general obligation bonds for the purpose of paying the cost of state infrastructure projects, including construction, communications, major maintenance, public safety, and transportation projects; and providing for an effective date."

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CHAIR MYERS opened public testimony on SB 74.

[1:35:19 PM](#)

CHAIR MYERS asked if anyone in the room wished to testify.

[1:35:46 PM](#)

TIM DILLON, Executive Director, Kenai Peninsula Economic Development District, Kenai, Alaska, spoke in support of the \$13.2 million for the Seward Multi-Use Recreation Trail, which is also known as the Long Trail. He said the Kenai Peninsula

Economic Development District, a non-government resource, worked with the Division of State Parks and the City of Seward to evaluate how to enhance visitor opportunities. He highlighted that the current visitor trends are moving towards active outdoor experiences for independent travelers. The district's goal is to encourage visitors to stay one additional day in Alaska to generate revenue. When completed, the Long Trail will consist of an uninterrupted trail from Seward to Fairbanks. This investment could bring significant economic benefits to communities along the trail from Seward to Fairbanks. He said this investment could also leverage federal dollars, such as the Land Water Conservation Funds.

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SENATOR BISHOP joined the meeting.

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BECKY LONG, representing self, Talkeetna, Alaska, spoke against the \$8.5 million West Susitna Access Road Project because it is not critical infrastructure. This project has advanced despite opposition, she said. The project is not shovel-ready nor does not pass the Alaska Constitution's legality test for GO bonding. The public stakeholder process and AIDEA Board public process have been inadequate. The original 2014 Department of Transportation and Public Facilities (DOTPF) Roads to Resources (R2R) studies only surveyed industrial companies and governmental entities. She found the lack of environmental impact determination as a major study flaw. She expressed concern that this project will adversely impact the West Susitna watershed. AIDEA's executive director disregarded the substantial recreational use, including hunting, fishing, lodges, and small mining claims. These activities could be put in jeopardy by an industrial, polluting road, she said.

1:40:10 PM

ANN RAPPOPORT, Co-Chair, Rabbit Creek Community Council, Anchorage, Alaska, asked that the council's letter of March 11, 2021 be made part of the record. She spoke in support of adding \$620,000 for the Potter Marsh Site Improvements Project [74150-1) upgrades, including restrooms for the parking and visitor facilities at Potter Marsh. This small project will help stimulate the economy. She related that the Rabbit Creek Community Council is one 38 community councils. Potter Marsh is adjacent to the Seward Highway and the area provides outdoor recreational opportunities, including walking, running, ice skating, photography and bird or wildlife viewing. She reported that over 150,000 people visit the refuge annually. Due to

partner cutbacks, rising costs, and recent changes in matching funds, the previously fully-funded \$1.4 million project has a \$620,000 shortfall. This project is shovel-ready, will provide construction jobs and positively enhance the Rabbit Creek neighborhood. She urged members to include this project in SB 74.

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JULIE SAUPE, representing Visit Anchorage, Anchorage, Alaska, spoke in support of the Fairbanks to Seward Multi-Use Recreation Trail, also known as the Long Trail. Research shows that Alaska travelers are motivated by mountains, glaciers, and wildlife. Hiking is the fastest growing activity for visitors to Alaska, she said. Independent travelers continue to grow and provide a year-round base. The Long Trail improvements will enhance Alaska's world-class hiking and provide increased economic benefits to communities from Fairbanks to Seward.

[1:45:35 PM](#)

HEDI DRYGAS, Lobbyist, Alaska State Pipe Trades Local 375, Juneau, Alaska, spoke in support of SB 74 to support infrastructure projects because the economic benefits are good for workers and businesses and spur economic growth. She urged members not to shy away from bonding as a means to support infrastructure projects.

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CLAY WALKER, Mayor, Denali Borough, Healy, Alaska, spoke in support of the \$13.2 million for the Seward Multi-Use Recreation Trail Project in SB 74 also known as the Alaska Long Trail Project. This visionary project has strong and growing support, he said. This funding will help build essential segments of the trail, which have been vetted and are shovel ready. The Denali Borough recognizes the societal benefits of investing in outdoor recreational opportunities. These investments can result in happier, healthier Alaskans and makes Alaska more attractive to visitors and repeat visitors will result in economic benefits. The Denali Borough has built strong relationships with the National Park Service and the Department of Transportation and Public Facilities (DOTPF) to help get the project moving. About half of the \$350 million GO Bond proposal is dedicated to transportation projects, of which \$13.2 million is for the Long Trail Project that will span the entire Railbelt. He offered his view that this is a small investment given the significance of Alaska's visitor and outdoor industries.

[1:48:30 PM](#)

MELISSA HEWER, Executive Director, Susitna River Coalition, Talkeetna, Alaska, expressed concern about the West Susitna Access Road being included in SB 74. This project is in the preliminary stages of development and has only had one public hearing during Phase 2 of the preliminary studies. She said this project lacks public support, has not been vetted or advertised in the community and is not shovel-ready. Many Alaska Native groups and individuals along the route have yet to be notified that the project was being discussed. The 2014 Road to Resources studies estimated costs at \$2 to \$6 million per mile for this 100-mile road. These costs go far beyond the \$8 million requested in this proposal. Further, the preferred route for this project has not yet been identified. She urged members to remove this project and focus on genuine shovel-ready projects that will benefit our economy.

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[1:50:14 PM](#)

CHAIR MYERS reconvened the meeting.

[1:50:29 PM](#)

CHRIS BECK, Alaska Trails Foundation, Anchorage, Alaska, spoke in support of the Fairbanks to Seward Multi-Use Recreation Trail Project in SB 74. This non-profit foundation has worked with its partners for the past several years to identify \$13.2 million in projects for inclusion in the GO Bond funding for the Fairbanks to Seward Multi-Use Recreation Trail Project, also known as the Long Trail. Investing in Alaska's outdoor resources will provide jobs and infrastructure that will serve Alaska for decades. These projects will replace poorly designed trails with ones that will cost less to maintain. People are naturally attracted to extensive trail systems like the Appalachian Trail. He predicted the Long Trail would become a destination. He echoed the benefits that previous testifiers highlighted.

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JOSH VERHAGEN, Mayor, City of Nenana, Nenana, Alaska, spoke in support of the Fairbanks to Seward Multi-Use Recreation Trail Project known as the Long Trail. He said people are motivated to travel to communities for recreational purposes, to enjoy the beauty or delve into the history in the areas. This multi-use trail will allow people to explore nature. This trail will bring independent travelers to support small businesses. Independent travelers buy gear, visit restaurants, use laundry facilities, and stay overnight at facilities, inns or bed and breakfasts.

Community members and advocates genuinely believe that this project will bring a whole new group of adventure tourists to many communities and it is a wise use of the \$13.2 million.

1:56:13 PM

CHAIR MYERS, after first determining no one wished to testify, closed public testimony on SB 74.

1:56:58 PM

There being no further business to come before the committee, Chair Myers adjourned the Senate Transportation Standing Committee meeting at 1:56 p.m.